

RESULTS OF RITE CARE PREMIUM FOLLOW-UP SURVEY #2

Background

From July 2003 to December 2003, 9.5% of the 123,081 Rite Care (RC) enrollees (11,691 individuals in 4,360 families) were required to contribute to the cost of their health insurance. The vast majority of these families (78 %) made timely payments; only 943 households (or 22 % of those subject to premiums) lost RC coverage due to non-payment of premiums. A random sample of families that lost coverage due to non-payment were contacted by telephone. Of 707 calls made, 212 households were contacted and 95% (201) agreed to be interviewed. These households represented 540 members. The current survey is a repeat of a survey taken in the fall of 2002.

Reasons Families Lost Coverage

In 2004, the most common reason respondents gave for losing coverage was an inability to afford the monthly premium; 40 % of surveyed households said this figured in their decision to drop coverage. Fourteen percent of respondents indicated they did not pay the premium due to a job loss. Job loss may be one of the reasons respondents could not afford the premium.

Insurance Status of Families That Did Not Pay Premium

Figure 1: Percent of RC Households who Paid Premium with Insurance Status of Members Who Did Not Pay

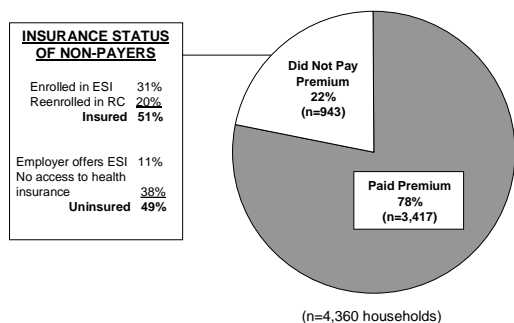
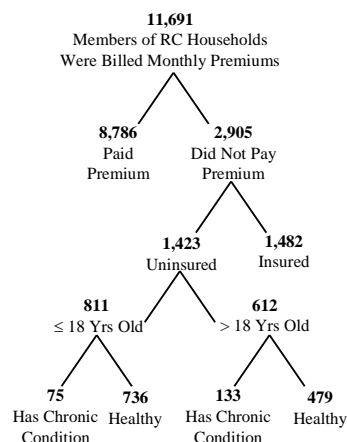


Figure 1 shows the current insurance status of the 943 households that did not pay the premium and as a result lost RC coverage. At the time of the interviews, 51% of the respondents who did not pay premiums said they were insured: 31% had enrolled in employer-sponsored insurance (ESI) and 20% had re-enrolled in RC. Forty-nine percent of the families that did not pay their premium were uninsured: 11% reported that their employer offered ESI, but they did not participate and 38% reported that they had no access to insurance.

Characteristics of Members Who Did Not Pay Premium

The 943 households that did not pay the premium represent 2,905 members. Figure 2 shows the insurance status, the age distribution, and the health status of members who did not pay. Of the 2,905 RC members who did not pay their premium, 1,423 were left uninsured. Members who became uninsured as a result of the state's premium collection initiative represent 12 % of the total members billed monthly premiums (1,423 / 11,691). Of the 1,423 uninsured RC members, 57 % are children less than 18 years old and about 15 % have a chronic medical condition.

Figure 2: Members of Households That Did Not Pay Premium: Insurance Status, Age, and Health Status



Differences in Health Status and Access to Care

Figure 3: RIte Care Members Who Did Not Pay Premium (n=2,905)

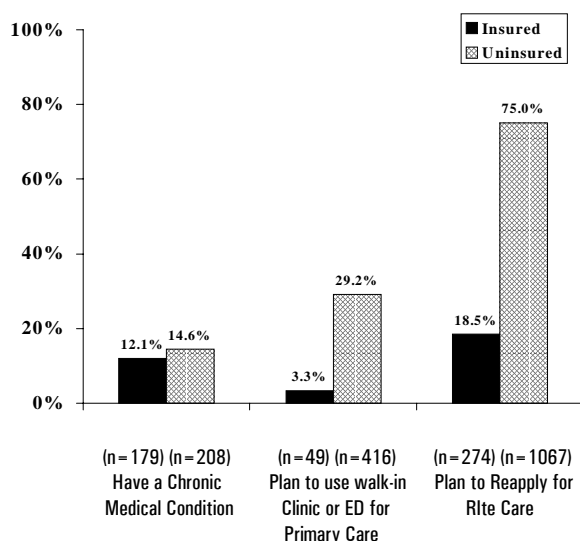


Figure 3 shows the differences in health status and access to care by the insurance status of RC members who did not pay premium. Respondents who self reported that they had a chronic medical condition were more likely to be uninsured (15 %) than insured (12 %). Individuals who did not pay the RIte Care premium and are without health insurance are more likely to use emergency walk-in clinics for primary care, 29 % compared to 3 % for insured members who did not pay premium. Seventy-five percent of persons without insurance indicated that they will reapply for RIte Care at the end of the four month sanction period.

Comparison of the 2002 Survey Results with 2004 Survey Results

The results of the 2002 and 2004 RIte Care Premium Follow-up Surveys were similar in terms of percent of :

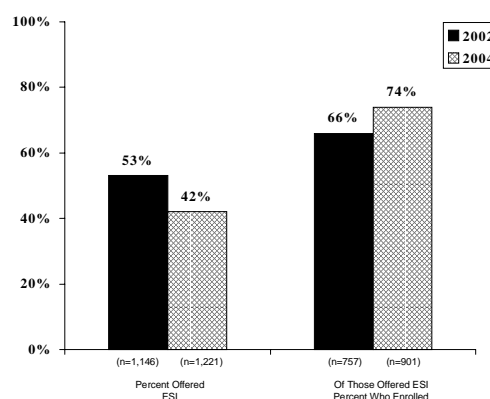
- Households which did not pay premiums, 18 versus 22 %, respectively;
- Households that could not afford to pay premiums, 48 versus 40 %, respectively;
- Members who became uninsured as a result of the state's premium collection initiative, 9 versus 12 % of the total number of members billed monthly payments, respectively;

- Members that were left uninsured who were age 18 or under, 62 versus 57 % respectively, and
- Members that were left uninsured who have a chronic health condition, 14 versus 15 %, respectively.

However, there were differences from year 2002 to 2004 with respect to access to employer-sponsored insurance (ESI) and ESI enrollment. In 2004, fewer members had access to ESI, yet those who had access were more likely to enroll. (Note: Having access to ESI or having an employer who offers ESI does not mean an employee can afford to pay the ESI premiums.) Specifically:

- In 2002, of the 2,162 RC members who did not pay their premium, 757 enrolled in ESI programs and 389 had access to an ESI program but did not enroll. In total, 1,146 (or 53 %) of the 2,162 persons who did not pay their premium had access to ESI. Of the 1,146 who had access, 757 (or 66 %) enrolled in ESI.
- In 2004, of the 2,905 RC members who did not pay their premium, 901 enrolled in ESI programs and 320 had access to an ESI program but did not enroll. In total, 1,221 (or 42 %) of the 2,905 persons who did not pay their premium had access to ESI. Of the 1,221 who had access, 901 (or 74 %) enrolled in ESI.

Figure 4: Access to ESI and ESI Enrollment For Those Members Who Did Not Pay Premium 2002 (n=2,162) and 2004 (n=2,905)



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